Strengthening small scale industries

597. SHRI O.T. LEPCHA: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether it is a fact that small scale industries have not been able to sustain themselves in international market due to competition;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps taken or proposed to be taken by Government to strengthen them?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHAVIR PRASAD): (a) and (b) No, sir. The capability of Indian Small Scale Industries (SSIs) [now known as Micro, Small and Medium Enterprises (MSMEs)] to sustain and compete in the international markets, is reflected from the fact that their annual growth rate has so far been consistently higher than that of the country's industrial sector as a whole and that their share in national exports is about 33%. The number of MSEs has grown from 109 lakh in 2002-03 to 128 lakh in 2006-07 and their production has increased from Rs. 314850 crore to Rs. 587196 crore.

(c) To enable MSMEs to sustain themselves in the international market and strengthen their export worthiness, the Government has accorded high priority to this sector in India's export promotion strategy, which includes simplification of procedures, incentives for higher exports, preferential treatment in the market development fund, simplification of duty drawback rules, etc. The supportive measures also include the assistance for participation in international exhibitions/fairs, training programmes on packaging for exports, Marketing Development Assistance Scheme for MSE exports, assistance for obtaining bar-coding, National award for quality products, etc. The Government, with a view to further enhancing competitive edge of MSMEs (both domestically and globally) have put in place several measures, which include assistance for technological upgradation, accessing markets, improved infrastructure, better availability of credit, facilities for training and capacity building of entrepreneurs.

Growth rate of SSIs

†598. SHRI JAI PARKASH AGGARWAL: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the figures of growth rate of small industries in the country during the last three years, till date, State-wise;

(b) whether small industries are not being given proper treatment in respect of their development as compared to big and medium industries; and

(c) if so, the details of concrete steps proposed to be taken for the development of small industries in the country by Central Government to help the unemployed aspiring youth of the country?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHAVIR PRASAD): (a) Based on the revised Index of Industrial Production for the small scale industries (SSIs) sector, with base year 2001-02, the rate of grwoth of

† Original notice of the question was received in Hindi.